



COMMUNITY DEVELOPMENT COMMISSION

County of Los Angeles

2 Coral Circle • Monterey Park, CA 91755

323.890.7001 • www.lacdc.org

Gloria Molina
Yvonne Brathwaite Burke
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Commissioners

Carlos Jackson
Executive Director

June 29, 2004

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE EXCHANGE OF FUNDS BETWEEN THE CITIES OF LA HABRA
HEIGHTS AND SAN FERNANDO (3, 4)
(3 Vote)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve Amendment No. 3 to Community Development Block Grant (CDBG) Reimbursable Contract No. 70731 between the County of Los Angeles and the City of La Habra Heights, to remove \$28,306 in CDBG funds that are being exchanged for \$19,814.20 in general tax revenues from the City of San Fernando, pursuant to an agreement between the cities, thereby reducing the amount of allocated funds from \$31,211 to \$2,905.
2. Approve Amendment No. 4 to CDBG Reimbursable Contract No. 70745 between the County of Los Angeles and the City of San Fernando, presented in substantially final form, to add \$28,306 from the City of La Habra Heights, in exchange for \$19,814.20 in general tax revenues, pursuant to an agreement between the two cities, which will increase the amount of allocated funds from \$1,203,971 to \$1,232,277.
3. Authorize the Executive Director of the Community Development Commission to execute the contract amendments on behalf of the County of Los Angeles, to be effective following approval as to form by County Counsel and execution by all parties, through June 30, 2005.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of the action is to enable the City of La Habra Heights to transfer \$28,306 in CDBG funds to the City of San Fernando, in exchange for \$19,814.20 in general tax revenue funds. The Cities of La Habra Heights and San Fernando have executed an agreement to exchange CDBG funds for general tax revenue funds.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. A total of \$28,306 in CDBG funds previously allocated to the City of La Habra Heights will be transferred to the City of San Fernando.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The City of La Habra Heights has agreed to transfer \$28,306, in previously allocated CDBG funds, to the City of San Fernando, in exchange for \$19,814.20 in general tax revenues. The Reimbursable Contract with the City of La Habra Heights currently includes \$31,211. The proposed amendment will decrease the contract amount to \$2,905.

The City of San Fernando has agreed to accept \$28,306 in CDBG funds from the City of La Habra Heights. The Reimbursable Contract with the City of San Fernando currently includes \$1,203,971 in CDBG funds. The proposed amendment will incorporate the new funds, thereby increasing the contract amount to \$1,232,277.

The City of San Fernando will use the additional funds to implement CDBG-eligible projects for low- and moderate-income persons, while the City of La Habra Heights will use \$19,814.20 in general tax revenues for city operations.

The standard form of CDBG Reimbursable Contract Amendment, presented as Attachment A, will be used for the proposed transfer of funds. The amendments will be effective following approval as to form by County Counsel and execution by all parties.

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IMPACT ON CURRENT PROGRAM:

The proposed contract amendment will enable the City of San Fernando to administer and implement CDBG-eligible projects to benefit low- and moderate-income persons, and the City of La Habra Heights to use general tax funds for City operations.

Respectfully submitted,

CARLOS JACKSON
Executive Director

Attachment: 1

ATTACHMENT A

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT WITH PARTICIPATING CITY
AMENDMENT NUMBER _____**

CITY:

CONTRACT NUMBER:

THIS AMENDMENT TO CONTRACT made this ____ day of _____ 2004, by the County of Los Angeles, hereinafter called the "County," and the City of _____, hereinafter called the "Participating City."

WITNESSETH THAT:

WHEREAS, the County and the Participating City previously entered into a Community Development Block Grant Program Reimbursable Contract with Participating City, Contract Number _____ dated July 1, 2003; and

WHEREAS, the County and the Participating City desire to amend said Contract in order that Participating City may better implement its CDBG-eligible projects. The Community Development Commission of the County of Los Angeles implements this contract on behalf of the County.

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree that said Contract Number _____ be amended as follows:

1. **COMPENSATION AND METHOD OF PAYMENT** has been amended to show a compensation amount of _____ dollars (\$_____). This is a(n) _____ of _____ dollars (\$_____) to the contract amount.
2. All other terms and conditions of said Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by the Executive Director of the Community Development Commission, and the Participating City has subscribed the same through its duly authorized officers on the day, month and year first above written.

COUNTY OF LOS ANGELES

CITY OF _____

BY: _____
CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____

TITLE: _____

ATTEST: _____

CITY CLERK: _____

APPROVED AS TO FORM:

Office of
County Counsel

APPROVED AS TO PROGRAM:

CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
Deputy

BY: _____
Director, CDBG